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IAC-M-326

28 January 1958

INTELLIGENCE ADVISORY COMMITTEE

Minutes of Meeting Held in
IAC Conference Room, [REDACTED] 25X1A
Central Intelligence Agency, at 1045, 28 January 1958

Deputy Director of Central Intelligence
Lieutenant General Charles P. Cabell
Presiding

MEMBERS PRESENT

Mr. Gordon Arneson, acting for Director of Intelligence and Research,
Department of State
Major General Robert A. Schow, Assistant Chief of Staff, Intelligence,
Department of the Army
Rear Admiral C. B. Martell, acting for Director of Naval Intelligence,
Department of the Navy
Colonel Shepler W. FitzGerald, Jr., * acting for Assistant Chief of
Staff, Intelligence, United States Air Force
Lieutenant Colonel Norman N. Perlberg, * acting for Assistant Chief
of Staff, Intelligence, United States Air Force
Brigadier General Richard Collins, Deputy Director for Intelligence,
The Joint Staff
Mr. Charles H. Reichardt, acting for Atomic Energy Commission
representative to the IAC
25X1A Mr. [REDACTED] acting for Federal Bureau of Investigation
representative to the IAC

* Part of meeting

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1. Situation Review

a. Watch Committee Report
No. 390

Noted.

b. Review of Sensitive Situations

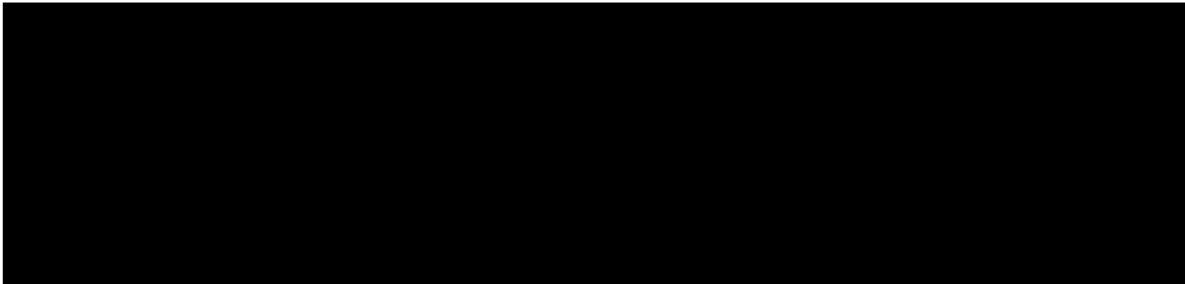
The Chairman noted that developments in Indonesia should be watched closely, referring particularly to an expected ultimatum by dissident elements. Mr. Arneson stressed the importance of the form of any ultimatum and commented on the capabilities of the central government for taking effective counteraction. Admiral Martell informed the members on the nature and effectiveness of attempts to blockade shipping in the Indonesian area.

The members discussed matters related to the establishment of the new government in Venezuela such as its stability, probable policies, attitude toward the US, and the extent of popular support for the new regime.

General Schow raised a question about the situation in Guatemala and the Chairman and Mr. Arneson commented briefly on recent political maneuvering in that country.

2. Information Report to IAC
on the Defector Program
(IAC-D-8/38, 22 January)

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3. Release of NIE 64-58
The Federation of Malaya
(Memorandum to IAC, 17 January)

In the light of views expressed by the State Department, the members agreed not to release NIE 64-58 to any foreign government at this time. However, it was understood that the State Department would keep this matter under review and that the question of release might be brought before the IAC again at a later date.

4. Post-Mortem and Validity
Study for NIE 11-4-57
Main Trends in Soviet Capabilities
and Policies, 1957-1962

a. The members noted the findings and approved the action recommended in the post-mortem on NIE 11-4-57. In this connection, General Schow raised a question as to whether the action recommended should be more specific and the members discussed this matter generally with Mr. Kent. Following an exchange of views, the members concurred in Mr. Kent's suggestion that he check into and report back to the members on the use made of IAC-approved post-mortems by the various IAC agencies.

b. Noted the validity study on NIE 11-4-56, "Soviet Capabilities and Probable Courses of Action Through 1961."

5. NIE 42.1-58
The Outlook for Stability in
the Republic of Korea

a. Approved as amended, subject to a further review and revision of paragraph 39 (24 January draft). It was agreed that any such revision could be cleared by the Board of National Estimates, the State Department, the Army and the Joint Staff, and that it need not be referred back to the IAC.

b. Approved the post-mortem on NIE 42.1-58, subject to the deletion of subcategory (c) in line 5.

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c. Noted the validity studies of SNIE 42.1/2-56, "Probable Political Developments in the Republic of Korea Through 1957," and NIE 42.1-56, "Probable Developments in the Republic of Korea Through Mid-1957."

d. Agreed to release NIE 42.1-58 to USIA.

e. Agreed not to release NIE 42.1-58 to any foreign government.

6. Memorandum re Early Warning Capabilities of USAREUR*

General Cabell read to the members a memorandum to the Chairman, IAC, from General Schow which referred to the loss by G2 USAREUR of certain clandestine capabilities for collecting early warning information in the field of transportation and related order of battle and supply. General Schow referred briefly to recent discussions between Army and CIA representatives on this problem.

7. Reply to Recommendation No. 2 of the President's Board of Consultants

Copies of a draft reply to the Executive Secretary, NSC, with respect to Recommendation No. 2 of the President's Board of Consultants on Foreign Intelligence Activities were distributed to the members. In view of the deadline for the final reply, the Chairman requested the members to furnish any comments on the draft to CIA by Tuesday evening. He also indicated that copies of the draft reply were to be given to NSA and General Erskine.

8. Report on Proposed Changes in the Atomic Energy Act

Dr. Reichardt noted that proposed modifications in the Atomic Energy Act had been submitted to Congress and outlined

* Copies of this memorandum will be circulated to the members on a limited distribution basis as IAC-D-6/18.

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the nature of certain recommended changes of particular interest to the intelligence community, such as those dealing with the release of atomic data to foreign governments.

9. Approval of Minutes
21 January Meeting
(IAC-M-325)

Approved as written, subject to the amendment of paragraphs 3 a and 3 d. In connection with paragraph 3 a, it was agreed to place a period after "out" in the last sentence, delete the balance of the sentence, and add: "The IAC approved this procedure."

With respect to paragraph 3 d, the Chairman noted that there appeared to be some question as to the form in which the draft NSCID No. 3 had been approved and was to be sent forward to the NSC, including the precise extent of any dissent. General Collins circulated a proposed amendment of paragraph 4 of that NSCID which included a definition of "Joint Intelligence." Following their discussion, the members approved the definition of "Departmental Intelligence" (in paragraph 3 of NSCID No. 3 and paragraph 7 of NSCID No. 1) in the form in which it appeared in the original 7 January draft. They also approved paragraph 4 of that draft, subject to the deletion of the second sentence and the substitution of: "Joint intelligence is a special category of interdepartmental intelligence jointly produced by the Military Departments in the performance of the assigned missions of the Joint Chiefs of Staff. The Subcommittee structure of the IAC may be utilized for the production and dissemination of interdepartmental intelligence."

In the light of this action, the members agreed that paragraph 3 d of the minutes of the 21 January meeting should be amended to read: "Approved the draft revised NSCID No. 3 (Coordination of Intelligence Production), as amended."

10. USCIB Ad Hoc Committee Report
on Alerting the Highest Authorities
(IAC-D-6/16.1, 23 January;
Limited Distribution)

The Chairman noted that, in view of the concurrence of the Joint Staff and AEC, all of the IAC agencies had now approved

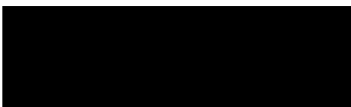
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the report by the USCIB Ad Hoc Committee dealing with the problem of alerting the highest authorities, which had been considered at the joint USCIB-IAC meeting on 22 January.

11. Restricted Session

The meeting adjourned at 1210, after which the Chairman requested General Schow, Admiral Martell and Col. FitzGerald to consult with him briefly on another matter.

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Secretary